

Police Officers' and Firefighters' Retirement System

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Description	FY 2003 Approved	FY 2004 Proposed	% Change
Operating Budget	\$68,900,000	\$96,200,000	39.6

The mission of the Police Officers' and Firefighters' Retirement System is to provide for the District's required contribution to this retirement plan, which is administered by the District of Columbia Retirement Board.

The amount of the contribution is determined by an actuary who submits a certified report through the Retirement Board to the Mayor. By law (DC Code section 1-907.02) the District is required to budget an amount equal to or greater than the certified amount.

Gross Funds

The proposed budget is \$96,200,000, representing an increase of 39.6 percent over the FY 2003 approved budget of \$68,900,000. No FTEs are supported by this budget representing no change from FY 2003.

Did you know...

Contact the D.C. Retirement Board

(202) 535-1271

General Fund

Local Funds. The proposed budget is \$96,200,000, representing an increase of \$27,300,000 over the FY 2003 approved budget of \$68,900,000. The amount represents a contribution of \$70.4 million to the police officers' retirement system and \$25.8 million to the firefighters' retirement system. There are no FTEs supported by Local sources, representing no change from FY 2003.

Changes from the FY 2003 approved budget are:

- An increase of \$27,300,000 to fully fund the amount calculated by the actuary as the required District contribution for FY 2004. The increased contribution is due to a number of factors, including the impact of collective bargaining unit salary increases, refined census data incorporated into the actuarial assumptions, and the multi-year decline in the stock market and the national economy.

Where the Money Comes From

Table FD0-1 shows the source of funding for the Police Officers' and Firefighters' Retirement System.

Table FD0-1

FY 2004 Proposed Operating Budget, by Revenue Type

(in thousands)

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change From FY 2003	Percent Change
Local Fund	49,000	74,600	68,900	96,200	27,300	39.6
Total for General Fund	49,000	74,600	68,900	96,200	27,300	39.6
Gross Funds	49,000	74,600	68,900	96,200	27,300	39.6

How the Money is Allocated

Table FD0-2 shows the FY 2004 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table FD0-2

FY 2004 Proposed Operating Budget, by Comptroller Source Group

(in thousands)

	Actual FY 2001	Actual FY 2002	Approved FY 2003	Proposed FY 2004	Change from FY 2003	Percent Change
50 Subsidies and Transfers	49,000	74,600	68,900	96,200	27,300	39.6
Subtotal Nonpersonal Services (NPS)	49,000	74,600	68,900	96,200	27,300	39.6
Total Proposed Operating Budget	49,000	74,600	68,900	96,200	27,300	39.6

Programs

This budget provides for the District (employer) contribution to the Police Officers' and Firefighters' Retirement Fund, which is managed by the District of Columbia Retirement Board (DY0).

Under the National Capital Revitalization and Self-Government Improvement Act of 1997, the federal government assumed the District's unfunded pension liability for the retirement plans of teachers, police officers, fire-fighters, and judges. Pursuant to the Act, the federal government pays the future retirement, death, and a share of disability payments for employees for service accrued prior to June 30, 1997. Benefits earned subsequently remain the responsibility of the District of Columbia. The actuarial report estimates the required District contribution to fund these earned benefits.

Further information on financing of the District's pension funds can be obtained in the District of Columbia Code, Division I, Title 1, Chapter 9, Subchapter IV - Financing of Retirement Benefits (1-907.02).